

Message Text

CONFIDENTIAL

PAGE 01 SAN JO 00510 01 OF 02 312004Z
ACTION ARA-10

INFO OCT-01 SS-14 ISO-00 ONY-00 SSO-00 /025 W
-----104803 312016Z /47

O 311940Z JAN 78
FM AMEMBASSY SAN JOSE
TO SECSTATE WASHDC IMMEDIATE 0055

C O N F I D E N T I A L SECTION 1 OF 2 SAN JOSE 0510

LIMDIS

FOR ARA ASSISTANT SECRETARY TODMAN AND CEN COUNTRY DIRECTOR
MATTHEWS ONLY

E.O. 11652: GDS
TAGS: OVIP, CS (TODMAN, TERENCE A)
SUBJ: ASSISTANT SECRETARY TODMAN'S CONVERSATION WITH FOREIGN
MINISTER FACIO, JANUARY 28, 1978

1. FOLLOWING IS DRAFT MEMORANDUM OF CONVERSATION SUBMITTED FOR
YOUR CLEARANCE AND/OR SUGGESTED CHANGES:

BEGIN TEXT

SUMMARY. ASSISTANT SECRETARY TODMAN CALLED ON FOREIGN MINISTER
GONZALO FACIO AT FOREIGN MINISTRY JANUARY 28 TO REVIEW STATE OF
BILATERAL RELATIONS AND DISCUSS SELECTED ISSUED AND SITUATIONS IN
CENTRAL AMERICA, CARIBBEAN AND LATIN AMERICA. TODMAN WAS ACCOMP-
ANIED BY AMBASSADOR, DCM AND COUNTRY DIRECTOR WADE MATTHEWS. COSTA
RICAN AMBASSADOR TO THE US AND OAS RODOLFO SILVA ALSO WAS PRESENT
AND PARTICIPATED IN THE DISCUSSIONS. THE MAJOR POINTS IN THE
EXCHANGE ARE REPORTED BELOW. END SUMMARY.

BELIZE

TODMAN OBSERVED THAT THE PROSPECTS FOR A SETTLEMENT OF THE
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 SAN JO 00510 01 OF 02 312004Z

BELIZE PROBLEM ARE NOT AS BRIGHT NOW AS THEY APPEARED A FEW WEEKS
AGO; PRICE'S POSITION WAS STIFFENING. HOWEVER, MOLINA HAD INDICATED
A WILLINGNESS TO MEET SEPARATELY WITH PRICE TO TRY TO WORK OUT THE
TERMS OF A SETTLEMENT, AND THE US WOULD TRY TO ENCOURAGE PRICE TO
ACCEPT MOLINA'S OFFER. THE BASIC CONDITIONS FOR A SETTLEMENT STILL
SEEM TO BE PRESENT SO DIRECT DISCUSSIONS BETWEEN THE GOB AND THE
GOG COULD BREAK THE IMPASSE. IF THAT HAPPENS, COSTA RICA MIGHT BE

OF SOME ASSISTANCE WITH MEXICO. WE HAVE HEARD THAT GOM PREFERS THAT US PLAY NO INTERMEDIARY ROLE AND COULD FILE ITS OWN TERRITORIAL CLAIM SHOULD THE GOG, GOB AND UK ARRIVE AT AN AGREEMENT. PRESIDENT LOPEZ PORTILLO HAD TOLD VICE PRESIDENT MONDALE LAST WEEK THAT HE THOUGHT THE NEGOTIATIONS SHOULD BE CONDUCTED UNDER THE AUSPICES OF AN INTERNATIONAL BODY, AN ADDITIONAL COMPLICATION IN OUR VIEW.

FACIO STATED THAT HE DID NOT THINK THAT THE LOPEZ PORTILLO GOVERNMENT WOULD BECOME AN OBSTACLE; HE DOUBTED THE GOM WOULD PRESS ITS OWN TERRITORIAL CLAIMS. HE SAID THAT PRESIDENT LOPEZ PORTILLO IS A VERY SENSIBLE, INTELLIGENT AND WELL-MEANING LEADER WHO WOULD NOT WANT MEXICO TO PLAY AN OBSTRUCTIONIST ROLE. HOWEVER, COSTA RICA COULD BE COUNTED ON TO HELP WITH MEXICO SHOULD THE NEED ARISE.

FACIO SAID TTWT RECENTLY HE MET WITH GUATEMALAN GENERAL STAFF IN SAN JOSE AND HAD EXPOSED THEM TO A THREE-HOUR DISCOURSE ON HISTORY OF BELIZE DISPUTE FROM A JURIDICAL POINT OF VIEW, INCLUDING HIS OWN PERCEPTION OF HOLES IN GUATEMALA'S CLAIMS. FACIO SAID THAT HE HAD ALSO MET RECENTLY WITH VICE PRESIDENTIAL CANDIDATE VILLAGRAN KRAMER WHO HAD SHOWN AN IMPRESSIVE GRASP OF THE BELIZE PROBLEM AND WHO SHARED PRESIDENT LAUGERUD'S UNDERSTANDING OF HIS NEED TO FIND A SOLUTION SOON. TODMAN AND FACIO AGREED THAT WERE THE BRITISH TO GRANT BELIZEAN INDEPENDENCE UNILATERALLY, THE GOG WOULD QUICKLY RESPOND MILITARILY.

HONDURAS-EL SALVADOR

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 SAN JO 00510 01 OF 02 312004Z

TODMAN OBSERVED THAT PRESIDENTS MELGAR AND ROMERO BOTH DESIRED A SETTLEMENT AND BOTH APPEARED TO BE DETERMINED TO BRING ONE ABOUT. ROMERO HAD TOLD HIM THAT HE HAD SUGGESTED THAT THE TWO SHOULD VISIT EACH OTHER'S CAPITALS, MEETING WITH EACH OTHER'S CABINETS AND GENERAL STAFF, AND THUS BEGINNING THE PROCESS OF CREATING AN ATMOSPHERE OF MUTUAL CONFIDENCE AND GOOD WILL. THE ATTITUDE OF SALVADORAN FOREIGN MINISTER MARTINEZ WAS NOT AS POSITIVE OR ENCOURAGING AS THAT OF PRESIDENT ROMERO, BUT TODMAN THOUGHT THAT ROMERO WAS STRONG ENOUGH AND DETERMINED ENOUGH TO BE ABLE TO FORCE MARTINEZ TO GO ALONG SHOULD A SETTLEMENT BE NEGOTIATED. TODMAN HAD MET WITH MEDIATOR BUSTAMANTE RECENTLY AND FOUND HIM TO BE DYNAMIC, ALERT. HE HAD ALSO IMPRESSED BOTH OF THE DEPUTY NEGOTIATORS OF THE TWO COUNTRIES. TODMAN SAID HE HAD MENTIONED THE IDEA OF CONVERTING DISPUTED AREAS - BOLSAS - INTO NATIONAL PARKS TO BE POPULATED ONLY BY PARK RANGERS. THE HONDURAN FOREIGN MINISTER REACTED POSITIVELY BUT NOT DEPUTY HONDURAN NEGOTIATOR CEASER BATRES. FOREIGN MINISTER MARTINEZ, HOWEVER, HAD A STRONG NEGATIVE REACTION, ALLEGING THAT THE BOLSAS BELONGED TO EL SALVADOR AND ONLY EL SALVADOR SHOULD DECIDE WHAT TO DO ABOUT THEM.

FACIO SAID THAT HE WAS NOT PLEASED WITH THE SELECTION OF BUSTAMANTE AS MEDIATOR; HE WOULD HAVE PREFERRED SOMEBODY YOUNGER;

BUSTAMENTE WAS WELL MEANING BUT SIMPLY TOO OLD. FACIO AGREED THAT SALVADORAN FOREIGN MINISTER MARTINEZ DID NOT HAVE A CONSTRUCTIVE ATTITUDE. MARTINEZ HAD TOLD HIM THAT EL SALVADOR WOULD NOT AND SHOULD NOT YIELD ONE SQUARE INCH OF TERRITORY; TO DO SO WOULD BE TREASONABLE.

NICARAGUA

FACIO SAID HE HAD BEEN TO NICARAGUA EARLIER IN THE WEEK AND HAD JUDGED THAT THE CURRENT SITUATION MARKS THE BEGINNING OF THE END OF THE SOMOZA DYNASTY. FACIO WAS GREATLY IMPRESSED BY FOREIGN MINISTER QUINTANA WHO HAD TOLD HIM THAT HE JOINED THE GOVERNMENT NOT TO PERPETUATE THE DYNASTY BUT TO HELP END IT. IT WAS PARTICULARLY REVEALING THAT AT A LUNCHEON ATTENDED BY RANKING GON OFFICIALS

CONFIDENTIAL

CONFIDENTIAL

PAGE 04 SAN JO 00510 01 OF 02 312004Z

(CHIEF OF STAFF, MINISTER OF FINANCE, MINISTER OF ECONOMY, CHIEF OF COMMUNICATIONS), QUINTANA HAD CRITICIZED SOMOZA OPENLY AND REPEATEDLY AND THAT OTHERS PRESENT EVEN AGREED WITH SOME PARTS OF THE CRITICISM. FACIO SAID HE HAD AGREED WITH QUINTANA THAT CONDITIONS HAVE TO BE CREATED NOW FOR THE CONSTRUCTION OF A GENUINELY DEMOCRATIC SYSTEM. THE POLITICAL PARTIES HAVE TO BE ALLOWED TO DEVELOP AND FLOURISH NOW IN ORDER FOR THE 1981 ELECTION TO BE CONDUCTED FAIRLY AND FREELY. FACIO SAID THAT SHORT OF RESIGNING AND TURNING POWER OVER TO A TRANSITION GOVERNMENT (WHICH, HE OBSERVED, SOMOZA WILL NOT DO), THIS WOULD BE THE BEST SOMOZA COULD DO AT THIS TIME. IF THIS IS NOT DONE, THE EXTREME LEFT WILL GET STRONGER AND STRONGER, CAUSING PROBLEMS FOR COSTA RIRN.

TODMAN ASKED WHY NICARAGUAN BUSINESSMEN WERE SUPPORTING THE GENERAL STRIKE TO THE EXTENT OF EVEN PAYING THE WORKMEN TO STAY HOME. FACIO SAID PARTIALLY IT IS BECAUSE THEY SEE THE BEGINNING OF THE END OF THE SOMOZA REGIME AND WANT TO DISASSOCIATE THEMSELVES FROM IT. HOWEVER, SOME COSTA RICAN BUSINESSMEN IN NICARAGUA HAD TOLD HIM THAT THREATS AND FEARS OF RETALIATION WOULD HAVE FORCED THEM TO SUPPORT THE STRIKE EVEN IF THEIR SYMPATHIES WERE WITH SOMOZA AND THE GON. FACIO SAID THAT WHILE SOMOZA IS NOT GOING TO BADTOPPLED BY THE CURRENT STRIKE, IT IS CLEAR THT AS A CONSEQUENCE OF HIS ILLNESS, HE IS LOSING TOUCH WITH REALITY AND HIS GRIP OVER THE COUNTRY IS WEAKENING.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 SAN JO 00510 02 OF 02 312033Z

ACTION ARA-10

INFO OCT-01 SS-14 ISO-00 ONY-00 SSO-00 /025 W

-----105160 312100Z /61

O 311940Z JAN 78

FM AMEMBASSY SAN JOSE

TO SECSTATE WASHDC IMMEDIATE 0056

C O N F I D E N T I A L SECTION 2 OF 2 SAN JOSE 0510

LIMDIS

FOR ARA ASSISTANT SECRETARY TODMAN AND CEN COUNTRY DIRECTOR
MATTHEWS ONLY

PARAGUAY

TODMAN MENTIONED THAT SOME OF THE CAPITALS PN HAS VISITED
HAD NOT SEEN AN ASSISTANT SECRETARY FOR MANY YEARS. IN ASUNCION,
FOR EXAMPLE, ASSISTANT SECRETARY VISITS WERE SO RARE THAT THE GOP
HAD TREATED HIS LIKE A STATE VISIT.

FACIO INTERJECTED THAT COSTA RICA WAS NOW BEING COURTED BY
PARAGUAY AND THIS SUDDEN WARMTH CONTRASTED SHARPLY WITH PARAGUAY'S
HISTORICAL COOLNESS TOWARD COSTA RICA.

TODMAN SAID THIS DEMONSTRATED THE VALUE OF KEEPING COMMUNI-
CATIONS OPEN. IT WAS NECESSARY TO KEEP THE PRESSURE ON GOVERNMENTS
OF COUNTRIES WHERE HUMAN RIGHTS PROBLEMS EXISTED, BUT IT WAS
ESSENTIAL NOT TO MAKE THE GOVERNMENTS FEEL ISOLATED. HE SAID THAT
THERE WAS NOW REASON TO HOPE THAT THERE WOULD BE SOME REAL IMPROVE-
MENT IN THE HUMAN RIGHTS SITUATION IN PARAGUAY.

FACIO AGREED. HE SAID THERE IS A STRONG DESIRE FOR CHANGE IN
PARAGUAY AND THIS CAN BE ATTRIBUTED TO THE ATTITUDE OF THE US. IT
CONFIRMED WHAT HE HAD TOLD SECRETARY VANCE; A CLEAR EXPRESSION OF
US VIEWS IN SUCH AREAS AS HUMAN RIGHTS CAN BY ITSELF BRING ABOUT
THE KIND OF CHANGE THAT IS WANTED AND NEEDED.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 SAN JO 00510 02 OF 02 312033Z

URUGUAY AND THE OASGA

FACIO SAID THAT COSTA RICA COULD NOT SUPPORT URUGUAY AS THE
HOST COUNTRY FOR THE OASGA UNLESS THE GOU SHOWS A CHANGED ATTITUDE
TOWARD THE IAHCRC. HE SAID THAT THE URUGUAYAN AMBASSADOR TO THE UN
HAD ASSURED HIM THAT THE IAHCRC WOULD BE INVITED TO URUGUAY IF
URUGUAY WERE SELECTED AS THE HOST COUNTRY, JUST AS HAD HAPPENED IN
THE CASE OF CHILE. FACIO HAD REPLIED THAT THE INVITATION OF THE
IAHCR WOULD HAVE TO COME FIRST. HE HOPED THAT THE GOU WOULD INVITE
AN IAHCR VISIT SO THAT URUGUAY COULD BE APPROVED AS THE SITE OF

THE OASGA. THIS HAD BEEN A FAVORABLE DEVELOPMENT IN CHILE AND COULD HAVE AN EQUALLY FAVORABLE IMPACT IN URUGUAY. TODMAN AGREED. HE NOTED THAT THE URUGUAYANS HAD PROPOSED SEVERAL POSITIVE STEPS RECENTLY AND DISCUSSIONS ARE CONTINUING. A CONFRONTATION ON THE ISSUE WHICH COULD SPLIT OPEN THE OAS WOULD BE LAMENTABLE. IT WOULD BE MUCH BETTER IF URUGUAY COULD OFFER MEANINGFUL CONCESSIONS BECAUSE THE CONCESSIONS, TOGETHER WITH THE IMPROVEMENTS ARISING FROM PREPARATIONS FOR THE MEETING, WOULD CONSTITUTE SIGNIFICANT FORWARD MOVEMENT ON HUMAN RIGHTS IN URUGUAY.

CARIBBEAN COOPERATION

FACIO SAID THAT THE COSTA RICAN THESIS ON COOPERATION AMONG THE COUNTRIES OF THE CARIBBEAN BASIN WAS GAINING SLOW ACCEPTANCE. THERE ARE SOME PROBLEM AREAS AND SOME RESISTANCE BUT THERE IS ALSO SOME PROGRESS. TODMAN OBSERVED THAT ONE OF THE PROBLEMS WAS TRINIDAD AND TOBAGO WHERE ERIC WILLIAMS STRONGLY RESISTED EXPANDING THE DEFINITION OF THE CARIBBEAN BEYOND THE ENGLISH-SPEAKING ISLANDS. WILLIAMS WAS A VERY IMPORTANT AND INFLUENTIAL LEADER IN THE AREA AND IT WAS NECESSARY TO TRY TO BRING HIM AROUND. FACIO SAID HE MIGHT BE ABLE TO HELP. HE KNEW WILLIAMS WELL, HE HELPED HIM IN

THE UN, AND HAD BEEN THINKING OF MAKING A VISIT TO TRINIDAD AND
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 SAN JO 00510 02 OF 02 312033Z

TOBAGO.

IDB LOAN FUNDS

AMBASSADOR SILVA DISCUSSED THE DIFFERENCE IN IDB ENERGY LOAN TERMS FOR GUATEMALA, EL SALVADOR AND COSTA RICA. THE FIRST TWO RECEIVED IDB LOANS OF CLOSE TO \$100 MILLION, ALMOST HALF OF WHICH WAS FSO. COSTA RICA, ON THE OTHER HAND, ASKED FOR \$65 MILLION AND WAS OFFERED \$55 MILLION OC MONEY AT 8 PERCENT FOR 20 OR 25 YEARS AND A \$10 MILLION SPECIAL LINE OF CREDIT AT COMMERCIAL RATES. SILVA ARGUED THE INJUSTICE OF THE IDB CLASSIFICATION SYSTEM AND ALLEGED THAT 30-40 PERCENT OF COSTA RICA'S POPULATION LIVED BETWEEN THE POVERTY LEVEL AND THEREFORE 30-40 PERCENT OF THE IDB HYDRO-ELECTRIC LOAN SHOULD BE FSO.

IT WAS SUGGESTED THAT COSTA RICA MIGHT EXPLORE THE POSSIBILITY OF OBTAINING CONCESSIONAL TERMS FOR THE HYDRO-ELECTRIC PROJECT ON THE STRENGTH OF THE ARGUMENT THAT THE ENERGY CRISIS DEMANDED THAT NEW FORMS OF ENERGY BE DEVELOPED WHEREVER AND AS QUICKLY AS POSSIBLE. SILVA SAID THAT THE GOCR WOULD DISCUSS THIS POSSIBILITY WITH IDB VICE PRESIDENT STERNFELD DURING HIS FORTHCOMING VISIT; PRESIDENT ODUBER MIGHT ALSO WRITE DIRECTLY TO IDB PRESIDENT ORTIZ MENA. SILVA SAID THAT IN ARGUING FOR SOFTER IDB TERMS, COSTA RICA MIGHT ALSO QUOTE PRESIDENT CARTER'S APRIL 14 SPEECH.

DEEP SEABED OOGING

TODMAN STATED THAT HE WANTED TO GO CR TO BE AWARE THAT PRESIDENT CARTER HAS DECIDED TO SUPPORT LEGISLATION WHICH WOULD AUTHORIZE US COMPANIES TO ENGAGE IN DEEP SEABED MINING OPERATIONS. SUCH LEGISLATION WOULD INCLUDE SOME OF THE PROVISIONS DISCUSSED AT THE LOS CONFERENCE. US HAD DECIDED THAT IT COULD NO LONGER BE RESTRAINED FROM MOVING AHEAD BY A CONFERENCE AT WHICH NOTHING IS DECIDED. FACIO REPLIED THAT US UNILATERAL ACTION IN THIS AREA MIGHT HELP TO FORCE THE LOS CONFERENCE TO AN AGREEMENT.

IATTC
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 SAN JO 00510 02 OF 02 312033Z

FACIO POINTED OUT THAT COSTA RICA WILL BE SEEKING A HIGHER TUNA QUOTA AT THE IATTC MEETING AT SAN DIEGO. TODMAN REPLIED THAT HE HAD DISCUSSED THE SAME QUESTION WITH MEXICAN FOREIGN MINISTER ROEL. HE SAID THAT US DOES NOT OBJECT TO MODIFICATION OF OLD AGREEMENTS TO TAKE INTO ACCOUNT NEW SITUATIONS BUT THAT THE MEXICAN REQUEST WAS UNREALISTIC EVEN IN TERMS OF MEXICAN CAPABILITIES. FACIO SAID THAT COSTA RICA WOULD BE WILLING TO NEGOTIATE THE PRE-

CISE LEVEL BUT HAD TO HAVE A LARGER QUOTA.

VESCO

TODMAN TOLD FACIO THAT THE US IS STILL INTERESTED IN HAVING ROBERT VESCO RETURNED TO THE US. HE SAID HE HAD BEEN IN CONTINUOUS CONTACT WITH THE DEPARTMENT OF JUSTICE ON THIS CASE AND THAT JUSTICE WAS STILL VERY INTERESTED IN VESCO'S RETURN TO FACE TRIAL ON THE CHARGES OUTSTANDING AGAINST HIM. THE USG STRONGLY PREFERS THAT VESCO BE RETURNED BY EXPULSION FROM COSTA RICA BUT IF THIS IS NOT POSSIBLE THEN THE USG WILL HAVE TO GO THE EXTRADITION ROUTE. FACIO REPLIED THAT THE GO CR HAD DECIDED TO GET RID OF VESCO BUT LOCAL SUITS AGAINST HIM PREVENTED HIS DEPARTURE. HE ADDED THAT AN EXTRADITION REQUEST WOULD TAKE PRECEDENCE OVER THE LOCAL SUITS. (THIS IS CONTRARY TO OTHER LOCAL LEGAL OPINION WE HAVE RECEIVED.)

END TEXT

2. WHEN MEMCON CLEARED, EMBASSY INTENDS LATERAL DISTRIBUTION AS FOLLOWS UNLESS OTHERWISE INSTRUCTED: MANAGUA, EL SALVADOR, TEGUCIGALPA, GUATEMALA, BELIZE, PORT OF SPAIN, ASUNCION, MONTEVIDEO, LONDON, MEXICO CITY.
WEISSMAN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 31 jan 1978
Decaption Date: 20 Mar 2014
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978SANJO00510
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780046-0696
Format: TEL
From: SAN JOSE
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t1978013/aaaaaceq.tel
Line Count: 326
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: bdeaa1e0-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: ONLY
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: ONLY
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3724999
Secure: OPEN
Status: NATIVE
Subject: ASSISTANT SECRETARY TODMAN'S CONVERSATION WITH FOREIGN MINISTER FACIO, JANUARY 28, 1978
TAGS: OVIP, CS, (TODMAN, TERENCE A)
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/bdeaa1e0-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014